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SUBJECT: NOVEMBER 15 TAO PRESS BRIEFING: ARRESTS ON MAINLAND FOR SPYING, RESOLVING POLITICAL TURMOIL DEPENDS ON TAIWAN PEOPLE, CHEN SHUI-BIAN AGENT IS FREE, FUJIAN-PENGHU SHIPPING LINK

Summary

- 11. Key points made at the November 15 Taiwan Affairs Office (TAO) press briefing were:
- -- Two Taiwan businesspeople have been detained in Hunan Province for spying.
- -- The spokesman deflected questions about China's view of the indictment of Chen Shui-bian's wife, Wu Shu-chen, and the questioning of Taipei Mayor Ma Ying-ieou.
- -- Mainland-based Taiwan businessman, Kung chin-yuan, who was accused by a Taiwan legislator of being Chen Shui-bian's agent on the Mainland, is "free."
- -- The spokesman noted hopes for establishment of a direct shipping link between Fujian Province and Penghu County. End summary.

Two Taiwan Businesspeople Detained for Spying

12. Taiwan Affairs Office (TAO) spokesperson Li Weiyi confirmed during the November 15 press briefing that two businesspeople from Taiwan were detained in China's Hunan Province for spying activities and stated that their families have been notified. (Note: The online transcript of the briefing deleted the reporter's mention of spying as the reason for the arrest. End note.)

End Of Political Turmoil Depends on Taiwan People

13. Asked to comment on the indictment of Chen Shuibian's wife Wu Shu-chen on charges of document forgery and embezzling, Li said Beijing is paying attention to relevant Taiwan media reports and that the issue must be resolved by the Taiwan people themselves. Asked for comment on the questioning of KMT leader and Mayor of Taipei Ma Ying-jeou, Li reiterated the attention being paid to relevant Taiwan media reports. China will continue to encourage and strengthen cross-Strait exchange and cooperation and promote the development of peace and stability in Cross-strait relations. At the same time, China will remain alert, will firmly oppose and contain "independence" activities, will not allow any person to separate Taiwan from China and will protect China's sovereignty and territorial integrity, the people's interests and the peace and stability of the Taiwan Strait and Asia-Pacific regions.

¶4. Kung Chin-yuan, a Mainland-based businessman who was accused by a Taiwan legislator of being Chen Shuibian's "agent" in the Mainland, "is free," Li confirmed when asked by a Taiwan reporter if Mr. Kung was under the supervision or control of Mainland authorities. The TAO has not had any contact with Mr. Kung, Li stated.

"One Country, Two Systems" Zone in Kinmen

15. China welcomes exchanging ideas on peaceful unification and the development of cross-Strait relations with relevant parties, groups and individuals, said Li when asked by a Mainland reporter for comment on a suggestion for an experimental "One country, Two Systems" zone to be set up in Kinmen.

Taiwan Customs Workers Take Mainland Exams

16. Taiwan residents are now eligible to take China's customs clearance specialist exam, as announced by TAO Director Chen Yunlin on April 15 at the Cross-Strait Trade Forum. Of the 551 Taiwan residents who registered for the exam, 421 did so on site in Shanghai, Nanjing, Guangzhou and Shenzhen, said Li. The exam was held on November 5, and grading work is currently underway.

China Values Views of Taiwan Business

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17. Asked for comment on a National Taiwan Business Federation to be founded at the end of this month, Li said that China greatly values the views of Taiwan businesspeople. The TAO will work to strengthen services for Taiwan businesses and protect their rights and interests, Li said. Li noted that since 1990, ninety-nine Taiwan investment and enterprise associations have been established, with a total of more than 20,000 enterprise members, about one third of all Taiwan enterprises on the mainland.

"Three Links" Depends on Taiwan Authorities

18. China hopes that a direct shipping link between Fujian Province on the mainland and Penghu County in Taiwan can be soon realized to fulfill the wishes of the people of Penghu County and all Taiwan compatriots, said Li when asked to comment on the "blocking" of the link by the Taiwan authorities. Successful boat trips in June prove that the transportation route is technically sound and can be fully implemented, Li said.

Mainland Tourists Illegally Traveling to Taiwan

19. Some mainland tourists traveling illegally to Taiwan via third party territories or countries have been victims of fraud, Li stated. Cross-Strait professional organizations will continue their communication on the issue of Mainland tourists in Taiwan.

Scholarships for Taiwan students on mainland

110. This year 1,705 scholarships were awarded to Taiwan students for study on the mainland. The

recipients included 405 doctorate students, 407 graduate students and 893 undergraduates. According to the "Provisional Method for Taiwan Student Scholarship Management" regulations, Mainland scholarships of First, Second and Third Class distinctions are offered for up to 2,000 students at the undergraduate, graduate and doctorate degree levels. Randt